

# WILLKIE FARR & GALLAGHER

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July 25, 1997

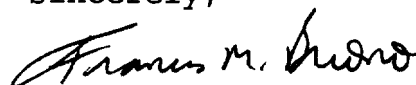
Mr. William F. Caton  
Secretary  
Federal Communications Commission  
1919 M Street, N.W., Room 222  
Washington, D.C. 20554

Re: Erratum to Comments of HBO in  
CS Docket No. 97-141

Dear Mr. Caton:

Home Box Office ("HBO") timely filed its comments with the Commission in the above-captioned proceeding on July 23, 1997. However, due to a copier problem, the seventh and eight pages of HBO's comments were inadvertently omitted from this filing. HBO respectfully requests that the Commission accept the attached original and four (4) copies of HBO's comments in lieu of those filed on July 23rd. No changes have been made to the document. The electronic version of HBO's comments that were included on diskette along with the filing on July 23 were complete as filed.

Sincerely,



Francis M. Buono

Attachments

No. of Copies rec'd 021  
List ABCDE

**BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554**

JUL 26 1997

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

In the Matter of )  
Annual Assessment of the Status of ) CS Docket No. 97-141  
Competition in Markets for the )  
Delivery of Video Programming )

**COMMENTS OF HOME BOX OFFICE**

Brian Conboy  
Michael H. Hammer  
C. Grace Campbell

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Its Attorneys

July 23, 1997

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## ATTACHMENT

Sample Channel Lineups of Non-Cable MVPDs

**BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554**

**RECEIVED**

JUL 25 1997

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

In the Matter of	)	
	)	
Annual Assessment of the Status of	)	CS Docket No. 97-141
Competition in Markets for the	)	
Delivery of Video Programming	)	

**COMMENTS OF HOME BOX OFFICE**

Home Box Office ("HBO"), a Division of Time Warner Entertainment Company, L.P. ("TWE"), by its attorneys, hereby files its comments in response to the Commission's Notice of Inquiry ("NOI") in the above-captioned proceeding.<sup>1</sup>

**I. INTRODUCTION AND SUMMARY**

As part of the Commission's annual reporting requirement to Congress,<sup>2</sup> the Commission seeks comment on the status of competition for the delivery of video programming. Congress imposed this reporting requirement in the 1992 Cable Act in order to assist it and the Commission in determining when there was sufficient competition to justify reduction or elimination of many of the regulatory restraints imposed on the cable industry in the Act.

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<sup>1</sup> In the Matter of Annual Assessment of the Status of Competition in Markets for the Delivery of Video Programming, Notice of Inquiry, CS Docket No. 97-141 (released June 6, 1997) ("NOI").

<sup>2</sup> 47 U.S.C. § 548(g).

In these comments, HBO focuses on the program access rules.<sup>3</sup> Congress adopted program access to ensure that: 1) non-cable MVPDs have access to satellite program services that are vertically integrated with a cable operator; and 2) such services are available at nondiscriminatory rates, terms, and conditions. The program channel lineups of non-cable MVPDs (samples attached) demonstrate that Congress' access goal has been achieved, and the fact that the Commission has not issued a single adverse pricing decision in the five-year history of the rules demonstrates that the nondiscrimination goal has been achieved, as well.

Moreover, non-cable MVPDs have become an important component of the distribution strategy of HBO and other vertically integrated programmers. In fact, since 1992, HBO's most significant subscriber growth has come from non-cable MVPDs. HBO has actively distributed its services through non-cable MVPDs, and, given the importance of these MVPDs to its overall business, HBO has a strong incentive to continue to do so. This incentive is not unique to HBO. As demonstrated below, non-cable MVPDs are increasingly being sought out by all programmers, including cable-affiliated programmers.

In short, there is strong and growing evidence that the type of anticompetitive conduct the program access rules were designed to prevent has not occurred, and will not occur. It appears particularly unlikely that such conduct would occur on a level sufficient to justify these complicated and costly regulations. Even

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<sup>3</sup> See NOI at ¶ 14 (seeking comment on the program access rules).

if there is an isolated instance in which a programmer adopts a policy that arguably violates the rules, there appears to be no basis to continue to indict an entire industry, especially given the significant costs of the program access rules. Thus, the program access rules are increasingly irrelevant and unjustified as a means of ensuring or maintaining a competitive video distribution environment. The Commission should inform Congress of this fact in its 1997 Competition Report.

**II. THE COMMISSION SHOULD RECOGNIZE IN ITS 1997 COMPETITION REPORT THAT MARKETPLACE DEVELOPMENTS RENDER THE PROGRAM ACCESS RULES UNNECESSARY AND UNJUSTIFIED.**

**A. Congress' Goals In Adopting The Program Access Provisions Have Been Achieved.**

In adopting the program access provisions, Congress sought to stimulate competition by ensuring that: 1) non-cable MVPDs have access to vertically integrated programming; and 2) such access is granted at nondiscriminatory prices, terms, and conditions. Both of these goals have been met.

**1. Non-Cable MVPDs Have Access To Vertically Integrated Programming.**

HBO offers two premium services -- HBO and Cinemax. HBO distributes these services through a wide variety of non-cable MVPDs, including the following:

- K-band Direct-to-Home ("DTH"). HBO and Cinemax are distributed by four different DBS providers -- USSB, PRIMESTAR, Echostar, and Alphastar -- to a total of approximately 5 million homes.<sup>4</sup>

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<sup>4</sup> In fact, HBO is distributed by all K-band DTH services except DIRECTV. HBO is not distributed by DIRECTV because HBO has an

- C-band DTH. HBO and Cinemax have been distributed via C-band for over 10 years. HBO's services are distributed by 15 different C-band operators serving approximately 2 million homes.
- MMDS. HBO's services also have been distributed by MDS and MMDS for nearly two decades. The services currently reach over 700,000 homes through 49 different MDS and MMDS distributors.
- SMATV. HBO and Cinemax reach over 200,000 subscribers through SMATV systems.
- Telco Overbuilders. HBO and Cinemax are distributed to over 100,000 homes by telephone companies that have constructed cable, MMDS, and/or SMATV systems.<sup>5</sup>
- Hotel/Motel Distribution. HBO also serves over 750,000 hotel and motel rooms independent of any cable operator.

HBO believes that other vertically integrated programmers also are distributed widely by non-cable MVPDs. In fact, the channel

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(... continued)  
 arrangement with USSB that provides USSB with limited exclusivity against K-band services operating from the 101° orbital slot. The exclusivity does not apply to terrestrial MVPDs or other DTH MVPDs operating from an orbital slot other than 101°. DIRECTV is the only other DBS operator using the 101° slot. As the Commission has ruled, Congress did not intend to cover the HBO/USSB exclusivity in the program access rules because it does not involve exclusivity with a cable operator. Program Access DBS Exclusivity Reconsideration Order, 76 R.R.2d (P&F) 1177, at ¶¶ 35-40 (1994). It should be noted, however, that a joint marketing arrangement between USSB and DIRECTV, allows DIRECTV's customers to obtain the HBO services.

<sup>5</sup> In one instance, an exclusivity provision reserves exclusive distribution of HBO to Continental Cable (now MediaOne) in a limited geographic area. The Commission ruled that such exclusivity was lawful because it was grandfathered under the program access provisions. Corporate Media Partners d/b/a/ Americast and Ameritech New Media, Inc. v. Continental Cablevision, Inc. and HBO, 12 F.C.C.R. 3455 (1997). The exclusivity expires on December 31, 1997. Ameritech currently does distribute HBO's services in other franchise areas not covered by this limited exclusivity.

line-ups of almost any non-cable MVPD prove this point. Several channel line-ups from non-cable MVPDs are attached to these comments.

HBO is aware of only very few cases in which non-cable MVPDs have been denied access to vertically integrated programming. For example, the Commission granted exclusivity to two regional news services in order to provide an incentive for cable operators to carry such services in a limited channel environment, thereby promoting the financial viability and diversity of new programming services.<sup>6</sup> This is the exception, however, rather than the rule.

This point is underscored by the fact that very few complaints have been filed seeking access to vertically integrated programming and even fewer have been decided against the programmer. In fact, in the five years since adoption of the program access provisions, the Commission has decided only two refusal to sell complaints<sup>7</sup> against programmers.<sup>8</sup>

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<sup>6</sup> See New England Cable News, 9 F.C.C.R. 3231 (1994) (granting a seven-year exclusive distribution right in six New England states); NewsChannel, 10 F.C.C.R. 691 (1994) (granting a seven-year exclusive distribution right in four mid-Atlantic states).

<sup>7</sup> See, e.g., Bell Atlantic Video Services Co. v. Rainbow Programming Holdings, Inc. and Cablevision Systems Corp., DA 97-1452 (released July 11, 1997) (finding that refusal by distributor to provide a refund to programmer in a separate, unrelated dispute is not a legitimate business reason for refusing to sell programming); CellularVision of New York, L.P. v. SportsChannel Associates, 10 F.C.C.R. 9273 (1995) (finding that CellularVision had failed to demonstrate sufficient security concerns to justify refusing to sell programming).

<sup>8</sup> In addition, the Commission has determined in two instances that a programmer had insufficient grounds for exclusivity under the statute's public interest factors. See Time Warner Cable, 9 F.C.C.R. 3221 (1994); Cablevision Industries Corporation and Sci-Fi Channel, 10 F.C.C.R. 9786 (1995).

The channel lineups of non-cable MVPDs, coupled with the paucity of adverse access decisions against vertically integrated programmers, demonstrate that the first goal of Congress in enacting the program access provisions -- access to vertically integrated programming -- has been met. The Commission should acknowledge this fact in its 1997 Competition Report.

**2. Non-Cable MVPDs Have Access To Vertically Integrated Programming At Nondiscriminatory Prices, Terms, And Conditions.**

As with the issue of access to vertically integrated programming, the Commission has received very few program access complaints alleging discriminatory prices, terms, or conditions. Moreover, in every instance, the Commission has denied or dismissed the complaints.<sup>9</sup>

Some may argue that the threat of an adverse program access decision is the primary reason why pricing complaints are avoided or settled. Assuming this point were valid in certain instances, it is almost inconceivable that there is a discrimination problem sufficiently broad to justify the intrusive and costly program access scheme in the absence of a single adverse pricing decision in the entire five year history of the rules.<sup>10</sup>

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<sup>9</sup> See, e.g., In the Matter of Interface Communications Group, Inc.; Digital Broadband Applications Corp.; and Residential Communications Network of Massachusetts, Inc. v. Cablevision Systems Corp., DA 96-1520 (released Sept. 13, 1996) (dismissing video dialtone complaints as moot); In the Matter of Consumer Satellite Systems, Inc., et al. v. United Video Satellite Group, Inc., 11 F.C.C.R. 7428 (1996) (dismissing price complaints due to a negotiated settlement agreement).

<sup>10</sup> See Section II.C. below for a discussion of the costs imposed by the program access rules.

Thus, Congress' goal with regard to price, terms, and conditions also appears to have been met, and the Commission should so state in its 1997 Competition Report.

**B. Non-Cable MVPDs Have Become An Important Component Of The Distribution Strategy Of Vertically Integrated Programmers.**

HBO's non-cable distribution, particularly its DTH satellite distribution, has grown rapidly over the past several years. Five years ago, when the program access provisions were adopted, HBO had less than 500,000 subscribers and no high-power K-band DBS subscribers. As noted, HBO today has approximately 7 million DTH subscribers (C-band and K-band). Approximately 2 million of HBO's subscribers come from other non-cable MVPDs, such as MMDS, SMATV, and hotels/motels. More importantly, the largest percentage of HBO's growth of new subscribers over the past five years has come from non-cable MVPDs.

These trends appear to be industry-wide. Non-cable MVPDs are increasingly being sought out by all programmers, including cable affiliated programmers, for various reasons. For example, Kagan estimates that cable subscribership has grown at approximately 3.7 percent per year in the last five years.<sup>11</sup> DTH subscriber growth, by comparison, has grown at a rate of over 54 percent annually.<sup>12</sup>

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<sup>11</sup> Kagan Media Index, February 1997, "Historical Database."

<sup>12</sup> Pay TV Newsletter, June 1997, "Total Pay Television Subscription Potential Across Multiple Broadband Multichannel Delivery Platforms;" Kagan Media Index, February 1997, "Historical Data Base." See also Third Annual Video Competition Report to Congress, 5 Comm. Reg. (P&F) 1164, at ¶ 4 (1997) (in 1996, cable subscribers increased by 2

(continued ...)

Non-cable MVPDs are important to all categories of programmers. For example, in recent years, most of the growth of pay services as a group (including cable-affiliated satellite services) has come from non-cable MVPDs. Equally important, non-cable MVPDs typically achieve higher pay-to-basic penetration rates than their cable counterparts.<sup>13</sup> Similarly, for new basic cable services, or for basic services which have not yet reached their targeted distribution thresholds, non-cable MVPDs have provided a significant boost towards long-term viability.<sup>14</sup>

Given the strong performance of non-cable MVPDs, and the importance of these MVPDs to HBO's overall business, HBO simply would not engage in the type of behavior the program access rules are designed to prevent. HBO's failure to fully utilize non-cable distribution systems would be counter to its business interests. Such behavior would be highly irrational from an economic standpoint. The marketplace today is fundamentally different from the marketplace

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(... continued)

million, whereas combined subscribers of non-cable MVPDS increased by 2.3 million).

<sup>13</sup> See Pay TV Newsletter, October 31, 1996, at 1 ("Overall, DBS has been very good to the pay services. [I]t has accounted for more net new pay units in the first half of 1996 (3.5 mil.) than did the incumbent cable providers (2.9 mil.) ...."); Pay TV Newsletter, December 31, 1996, at 1 ("From a standing start in 1994, DBS now represents 15% of all premium units .... "); Pay TV Newsletter, January 31, 1997, at 8 ("Fifty-three percent of Digital Satellite System (DSS) households with DIRECTV also subscribe to a premium TV package from [USSB], compared to the 35%-40% of basic cable subs who also take pay TV").

<sup>14</sup> See Cable TV Programming, February 29, 1996, at 1 (noting that basic cable services, both new and incumbent, "are looking at DBS and the entry of telcos (both through wired and digital MMDS systems) as fertile ground for carriage and a critical early launch platform").

in 1992 when program access was adopted -- today, virtually every American household has a choice of obtaining a comparable package of video programming at a comparable price from an MVPD other than its local cable operator. HBO's distribution policies over the last decade played a seminal role in creating this new competition. It has never made sense, and does not make sense now, for HBO (or other vertically integrated services) to deny access to these new MVPDs or to treat them unfairly, and any effort to do so would ultimately be self-defeating.<sup>15</sup>

**C. The Program Access Rules Are Particularly Unjustified Given Their Significant Costs.**

Some may assert that the small number of program access decisions that have been issued by the Commission demonstrates that the rules do not impose significant costs and, therefore, that there is no harm in simply leaving the rules in place. HBO strongly disagrees with such an approach. In fact, as Congress has determined, regulations that are no longer necessary should be

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<sup>15</sup> At the same time, while HBO and other vertically integrated programmers will continue to rely on non-cable MVPDs for distribution, it is important for the Commission to continue to recognize that neither the program access statute nor the rules themselves impose on such programmers a duty to deal with any or all MVPDs, and that there are legitimate business reasons why a programmer may reasonably and justifiably elect not to offer its service to particular distributors. See Program Access Order, 8 F.C.C.R. 3359, at ¶ 116 (1993). One such reason might be, for example, that the programmer already provides access to its services through a sufficient number of non-cable MVPDs.

eliminated.<sup>16</sup> Moreover, the program access rules do impose costs in at least the following four specific respects:

- **The Rules Create Uncertainty Which Skews Negotiations and Business Decisions.** The rules constrain vertically integrated programmers in their negotiations with non-cable MVPDs not only to avoid discriminatory behavior, but also to avoid negotiating tactics that might be misconstrued as exclusionary or discriminatory. For example, although a term which a programmer considers including in a particular contract may (if challenged) ultimately be found to be in complete compliance with the program access rules (and perhaps even a significant benefit to subscribers), since the programmer is uncertain of this fact during the negotiations process, it may feel constrained to omit the term from the contract.
- **The Rules Create Disincentives in Vertically Integrated Programmers to Develop Innovative Services.** The rules dampen the incentives of vertically integrated programmers to introduce innovative programming, packaging, or pricing concepts that might be subject to the public interest test for exclusivity or the FCC's pricing review, even if the new concepts would pass such scrutiny.
- **The Rules Create Disincentives in Non-Cable MVPDs to Invest in New and Diverse Programming.** The rules reduce the incentives of non-cable MVPDs to invest in and introduce new and diverse programming because it is easier and less risky to simply demand access to established services that the cable industry has developed and funded (which is why the non-cable MVPD channel lineups attached to these comments are nearly identical).
- **Imposes Administrative, Regulatory, and Other Unnecessary Costs.** Like most regulation, the program access rules impose administrative, regulatory, litigation, and other costs.

In light of these significant costs and the increasing irrelevance of the program access rules as a means of ensuring and

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<sup>16</sup> 47 U.S.C. § 161 (directing the Commission, beginning in 1998, to review biennially all of its regulations applying to providers of telecommunications service and to repeal or modify any such regulations deemed to be no longer necessary in the public interest as a result of competition between providers of such service).

maintaining a competitive video distribution environment, the Commission should inform the Congress in its 1997 Competition Report that the program access provisions are no longer necessary or justified.<sup>17</sup>

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<sup>17</sup> The fact that the 1996 Act extended the program access provisions to OVS operators and common carriers, see NOI at ¶ 14, is not inconsistent with this analysis. Congress extended the rules in an effort to create regulatory parity between cable operators and telcos. See, e.g., 1996 Act Conference Report at 178 (noting intent of OVS provisions to "ensure parity among video providers" and to "level the playing field"); 1996 Act Senate Report at 37 (seeking to "promote[] parity by ensuring that telephone companies are regulated the same way as other service providers"). However, while this objective is commendable, the means chosen to achieve it are counterproductive. The extension of the program access rules to OVS and common carriers merely perpetuates and expands the various harms caused by the rules as discussed above, in particular the dampening of incentives by such non-cable MVPDs to invest in and introduce new and diverse programming. HBO submits that the better approach to achieving regulatory parity, and the one the Commission should recommend to Congress, is to recognize that the program access provisions are no longer necessary or justified for any MVPD.

## CONCLUSION

For the reasons stated herein, HBO respectfully requests that the Commission inform Congress in its 1997 Competition Report that the program access provisions are no longer necessary or justified.

Respectfully submitted,

HOME BOX OFFICE

A handwritten signature in dark ink, appearing to read "Michael H. Hammer", is written over a horizontal line.

Brian Conboy  
Michael H. Hammer  
C. Grace Campbell

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July 23, 1997

# The Unbiased Comparison Of DirecTV/USSB & Dish Network Programming

(Revised March 6, 1997 - See Notes At Bottom Of Page)

	Dish Network	DirecTV						USSB	
	Top 50 CD	Platinum	Gold	Silver	Plus	Total	Select	PLUS	Basics
ABC/CBS/NBC/Fox/PBS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
All News Channel								<input type="checkbox"/>	<input type="checkbox"/>
America Health Network		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
American Movie Classics		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
Animal Planet	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
Arts & Entertainment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Black Entertainment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Bloomberg Information		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Bravo		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
Cartoon Network	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Channel Earth		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
Cinemax	<input type="checkbox"/>							<input type="checkbox"/>	
Classic Sports Network		<input type="checkbox"/>	<input type="checkbox"/>						
CNBC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
CNN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
CNN-FN / International	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
Comedy Central	<input type="checkbox"/>							<input type="checkbox"/>	<input type="checkbox"/>
Country Music TV	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Court TV	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
CSPAN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
CSPAN-2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Discovery Channel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Disney Channel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
E! Entertainment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Encore Movies		8		8	8				
ESPN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
ESPN 2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
ESPN News	<input type="checkbox"/>								
EWTV	<input type="checkbox"/>								
Family Channel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		

Flix	<input type="checkbox"/>							<input type="checkbox"/>	
Fox News Channel		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
Fox Sports Regional	1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>		
Game Show Network	<input type="checkbox"/>								
Golf Channel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>						
HBO	<input type="checkbox"/>							<input type="checkbox"/>	
History Channel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
HNN Headline News	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Home & Garden Network	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Home Shopping Network	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Independent Film Channel		<input type="checkbox"/>		<input type="checkbox"/>					
KTLA	<input type="checkbox"/>								
Learning Channel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Lifetime	<input type="checkbox"/>							<input type="checkbox"/>	<input type="checkbox"/>
Movie Channel	<input type="checkbox"/>							<input type="checkbox"/>	
MSNBC		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
MTV	<input type="checkbox"/>							<input type="checkbox"/>	<input type="checkbox"/>
MTV Latin	<input type="checkbox"/>								
MuchMusic		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Music Channels	31	31	31	31	31	31	5		
National Empowerment	<input type="checkbox"/>								
New Sport		<input type="checkbox"/>	<input type="checkbox"/>						
Newsworld International		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
Nick At Nite	<input type="checkbox"/>							<input type="checkbox"/>	<input type="checkbox"/>
Nickelodeon	<input type="checkbox"/>							<input type="checkbox"/>	<input type="checkbox"/>
Outdoor Life Network		<input type="checkbox"/>	<input type="checkbox"/>						
Pay Per View	10	60	60	60		60	60		
Playboy TV		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>		
Prime De Portiva	<input type="checkbox"/>								
QVC Shopping	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
RAI	<input type="checkbox"/>								
Romance Classics		<input type="checkbox"/>		<input type="checkbox"/>					
Science Fiction Channel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Showtime	<input type="checkbox"/>							<input type="checkbox"/>	
Speedvision Network		<input type="checkbox"/>	<input type="checkbox"/>						
Spice		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>		
Sports Local/Regional	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
Sports Pro Packages		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>		
Starz!		4		4					
Sundance	<input type="checkbox"/>							<input type="checkbox"/>	

TBN Trinity Broadcasting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
Telemundo	<input type="checkbox"/>								
TNN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
TNT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Travel Channel	<input type="checkbox"/>								
Trio		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
Turner Classic Movies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
TV Food Network	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
TV Land	<input type="checkbox"/>							<input type="checkbox"/>	<input type="checkbox"/>
USA Network	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
VH1	<input type="checkbox"/>							<input type="checkbox"/>	<input type="checkbox"/>
Weather Channel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
WGN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
WPIX	<input type="checkbox"/>								
WSBK	<input type="checkbox"/>								
WTBS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Monthly Cost:	\$25.00	\$47.99	\$39.99	\$39.99	\$33.99	\$29.99	\$19.99	\$34.95*	\$7.95
Yearly Cost:	\$300								
* First Month Free									
<input type="checkbox"/> =Part of Package									
<input type="checkbox"/> =Premium Service									

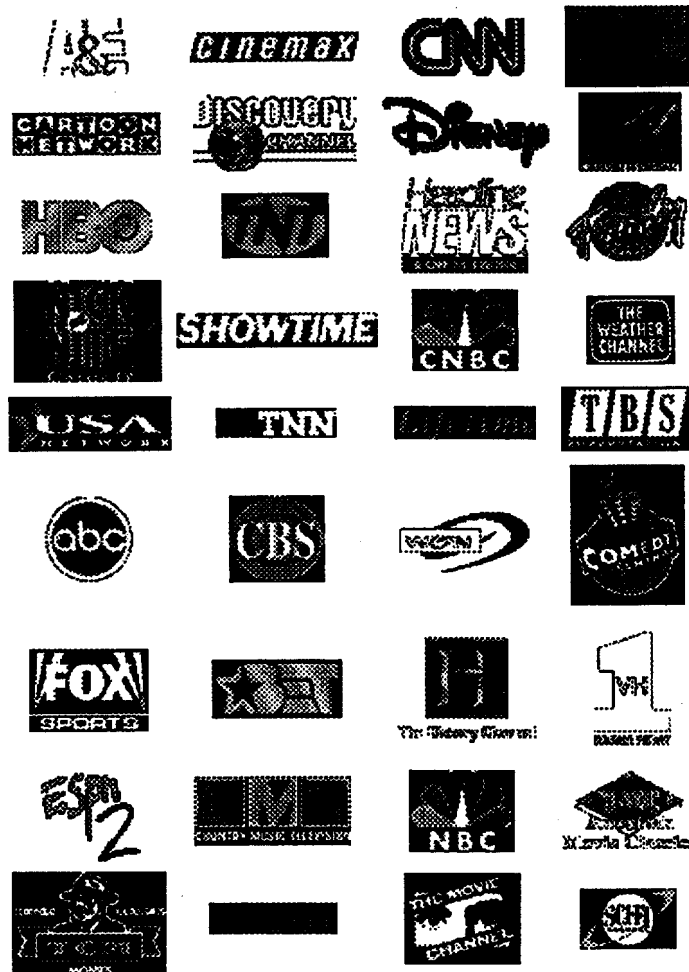
9/12/07 12:37 PM  
***Unbiased Comparison Chart For Movie Mavens***

***Unbiased Comparison Chart For Sports Fanatics***

***Unbiased Comparison Chart For Music Lovers***

***Links To Get You Going!***

Heartland's channel line-up represents the "Best of Cable" and includes the following popular cable and local television networks\*. Check out our links to network sites.



\* Some channels not available in certain markets.

[Viewer Information](#) | [Typical Channel Line-up](#) | [Subscribe to Heartland Wireless Cable](#)  
[Frequently Asked Questions](#) | [Customer Service](#) | [Markets & Coverage Area](#) | [Home Page](#)

[Forward Looking Statements/Content Disclaimer](#)

## **americast**

### ***americast's localcast™***

- 2 WBRC (FOX-6)
- 3 WCFT (ABC-33/40)
- 4 WBMG (CBS-42)
- 5 WVTM (NBC-13)
- 6 Sneak Prevue
- 7 WBIQ (PBS-10)
- 8 WABM (UPN-68)
- 9 WTTO (IND-21)
- 10 Prevue Guide
- 11 Inspirational Network
- 12 WTBS-Atlanta
- 13 Gov't Access
- 14 WGN-Chicago
- 15 QVC
- 16 C-Span

### ***premiercast™***

- 23 USA Network
- 24 TNT
- 25 Nickelodeon
- 26 Disney Channel
- 27 Cartoon Network
- 28 Lifetime
- 29 Sci-Fi Channel
- 30 E! Entertainment TV
- 31 Discovery Channel
- 32 Comedy Central
- 33 VH1
- 34 MTV
- 35 BET
- 36 TNN
- 37 Headline News
- 38 CNN
- 39 CNBC
- 40 CNNFN
- 41 A&E Network
- 42 Court TV
- 43 The History Channel
- 44 Turner Classic Movies
- 45 AMC
- 46 Family Channel
- 47 Learning Channel
- 49 Weather Channel
- 50 Local Weather

51-53 Reserved

54 SportSouth

55 ESPN

56 ESPN2

### ***premiercast plus™***

- 57 ESPNNews
- 58 America's Health Network
- 59 The Golf Channel
- 60 Animal Planet
- 61 Home & Garden TV
- 62 plex-Encore 1
- 63 Country Music TV
- 64 Classic Sports Network
- 65 Reserved

### ***\*Pay-Per-View***

- 66 PPV1
- 67 PPV2
- 68 PPV3
- 69 PPV4
- 70 PPV5
- 71 PPV6
- 72 PPV7
- 99 Reserved

### ***\*americast advantage™***

- 73 HBO
- 74 HBO2
- 75 HBO3
- 76 HBO Family
- 77 Cinemax
- 78 Cinemax2
- 79 Showtime
- 80 Showtime2
- 81 The Movie Channel
- 82 Flix
- 83 Encore
- 84 STARZ!

### ***Other Services***

- Interactive StarSight Program Guide

\*EZ Smart Terminal required.

**(800) 509-2278**

12/96



# FUTURE VISION

## Basic Programming Services

- |                       |                           |                            |                           |
|-----------------------|---------------------------|----------------------------|---------------------------|
| 200 Reserved          | 219 Reserved              | 238 TV Food Network        | 257 Reserved              |
| 201 Prevue Guide      | 220 Lifetime              | 239 The Weather Channel    | 258 The Nashville Network |
| 202 CBS-2 NYC WCBS    | 221 Reserved              | 240 Discovery Channel      | 259 Country Music TV      |
| 203 CBS-3 PHILA KYW   | 222 Sci-Fi Channel        | 241 Speedvision            | 260 E! Entertainment      |
| 204 NBC-4 NYC WNBC    | 223 TNT                   | 242 A&E Network            | 261 The Family Channel    |
| 205 FOX-5 NYC WNYW    | 224 Nickelodeon           | 243 Inspirational Network  | 262 TV-62 NJ WRNN         |
| 206 ABC-6 PHILA WPVI  | 225 VH-1                  | 244 CNBC                   | 263 Ovation               |
| 207 ABC-7 NYC WABC    | 226 MTV                   | 245 Reserved               | 264 Nostalgia Television  |
| 208 Reserved          | 227 USA Network           | 246 Headline News          | 265 The Travel Channel    |
| 209 NBC-9 NYC WWOR    | 228 CNN                   | 247 QVC                    | 266 The Cartoon Network   |
| 210 NBC-10 PHILA WCAU | 229 FOX-29 PHILA WTXF     | 248 Classic Sports Network | 267 Reserved              |
| 211 WB-11 NYC WPIX    | 230 Reserved              | 249 Reserved               | 268 The History Channel   |
| 212 PBS-12 PHILA WHYY | 231 Comedy Central        | 250 TV Mail                | 269 Reserved              |
| 213 PBS-13 NYC WNET   | 232 Reserved              | 251 Reserved               | 270 Turner Classic Movies |
| 214 Outdoor Life      | 233 ESPN                  | 252 PBS-52 NJ WNJN         | 271 Home & Garden TV      |
| 215 Reserved          | 234 ESPN 2                | 253 Faith & Values Network | 272 Game Show Network     |
| 216 Reserved          | 235 C-SPAN                | 254 Court TV               | 273 America's Talking     |
| 217 WB-17 PHILA WPH-L | 236 Home Shopping Network | 255 Eternal Word TV Net    | 274 Reserved              |
| 218 SuperStation TBS  | 237 The Learning Channel  | 256 C-SPAN 2               | 275 Reserved              |

## Premium Channels

(For pricing information and to order, simply tune to the desired channel.)

- |                 |                        |                       |                     |
|-----------------|------------------------|-----------------------|---------------------|
| 276 Reserved    | 279 The Golf Channel   | 282 Flix              | 285 Cinemax         |
| 277 Encore Plus | 280 Sundance Channel   | 283 Starz             | 286 Showtime        |
| 278 Encore      | 281 The Disney Channel | 284 The Movie Channel | 287 Home Box Office |

## Movies-On-Demand

(For scheduling information please tune to Channel 288. To order, just select the channel number indicated.)

288 Starnet

289-297 Movies-On-Demand

# CELLULARVISION CV CHANNELS

1	<u>BB/RABC</u>	Bloomberg Information News/Russian American Broadcasting CO.
2	<u>WCBS</u>	CBS
3	<u>TWC</u>	The Weather Channel
4	<u>WNBC</u>	NBC
5	<u>WNYW</u>	FOX
6	<u>HBO</u>	Home Box Office
7	<u>WABC</u>	ABC
8	<u>ESPN</u>	ESPN Sports Network
9	<u>UPN</u>	UPN
10	<u>CNN</u>	Cable News Network
11	<u>WPIX</u>	WPIX
12	<u>TBS</u>	TBS
13	<u>WNET</u>	PBS
14	<u>A&amp;E</u>	Arts & Entertainment
15	<u>USA</u>	USA Network
16	<u>TCM</u>	Turner Classic Movies
17	<u>LIFE</u>	Lifetime
18	<u>DISC</u>	The Discovery Channel
19	<u>CVDN</u>	Cellular Vision Digital Network
20	<u>TNT</u>	Turner Network Television
21	<u>DIS</u>	The Disney Channel
22	<u>NICK</u>	Nickelodeon
23	<u>ENC</u>	Encore
24	<u>ENC+</u>	Encore Plus
25	<u>CNBC</u>	CNBC
26	<u>HN</u>	Headline News
27	<u>CSPAN</u>	Cspan
28	<u>TLC/CMDY</u>	The Learning Channel/Comedy Central
29	<u>BET</u>	Black Entertainment Channel
30	<u>Tele</u>	Telemundo
31	<u>INT</u>	The International Channel
32	<u>PVG</u>	The Prevue Guide
33	<u>FOOD</u>	TV Food Network
34	<u>E!</u>	E! Entertainment
35	<u>SCIFI</u>	Science Fiction Channel
36	<u>MTV</u>	Music Television
37	<u>VH-1</u>	VH-1

38	<u>ESPN2/MSG2</u>	ESPN2/MSG2
39	<u>MSG</u>	Madison Square Garden
40	<u>SHO</u>	Showtime
41	<u>TMC</u>	The Movie Channel
42	<u>MAX</u>	Cinemax
43	<u>STZ!</u>	Starz!
44	<u>FLIX</u>	FLIX
45	<u>SPTSCH</u>	SportsChannel
46	<u>CT/PBY</u>	Court TV/Playboy
47	<u>VC</u>	Viewers Choice
48	<u>HC</u>	Hot Choice
49	<u>MSNBC</u>	MSNBC

#### Programming Descriptions

##### Bloomberg (BB)

Bloomberg Provides continuous 24-hour coverage of worldwide business and financial news. Many news sources contribute news and financial information to Bloomberg each day.

##### Russian American Broadcasting CO.

Premier national Russian network, RABC provides series of movies, live satellite news, music and entertainment shows.

##### CBS

Channel two is the local affiliate for CBS. Programming on CBS consists of sports, The Late Show, breaking news stories, documentaries and much more.

##### The Weather Channel (TWC)

Live 24-hour, up to the minute forecasts. Regional and national weather information.

##### NBC

Channel four is the local affiliate for NBC. Programming includes hit series, breaking news, sporting events and much more.

##### 5NYW (FOX)

Channel five is the local affiliate for FOX. Fox features news, NFL football, hit shows, sporting events and much more.

##### Home Box Office (HBO)

HBO offers a mix of major Hollywood theatrical movies, original movies and series, sporting events and comedy specials. HBO is the most widely awarded premium service.

##### ABC

Channel seven is the local affiliate for ABC. ABC features sporting events, news, movie specials and more.

##### Entertainment Sports Program Network (ESPN)

ESPN features the most diverse schedule of sports programming available including Hockey, NFL, Basketball, Baseball,